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STATEMENT BY U.S. SECRETARY OF COMMERCE
BARBARA HACKMAN FRANKLIN
ANNOUNCING DECEMBER 16-22 TRIP
TO CHINA AND HONG KONG
November 25, 1992

I am pleased to announce today that, at the direction of President Bush, I will lead an interagency delegation to China and Hong Kong from December 16 to 22 to focus on trade and investment issues.

A central part of this trip will be the reconvening of the Joint Commission on Commerce and Trade (JCCT), which the U.S. Secretary of Commerce has traditionally chaired with the Chinese Minister of Foreign Economic Relations and Trade. The recent completion of a wide-ranging market access agreement with China, as well as progress on intellectual property rights protection, makes this an optimal time to push forward with this seventh session of the JCCT. This trip will begin the process of translating opportunities that were opened up by the market access agreement into commercial realities.

Our goals for the trip are straightforward:

- o To advance U.S. commercial interests -- including specific business projects -- and build on past progress in trade and other areas;
- o To reaffirm our commitment to full implementation of intellectual property rights and market access agreements;
- o To press for progress on export control issues;
- o To underscore our concerns over the continuing U.S. trade deficit with China;
- o To continue to encourage economic reform in China; and
- o To reaffirm our interest in Hong Kong's vibrant economic development and a smooth transition of Hong Kong to Chinese sovereignty.

This will be the highest-level U.S. mission to China since then-Secretary of State Baker's visit in November 1991. The trip underscores our time-tested belief that we must remain engaged in China if we are to help shape China's future, and if we are to continue to advance a vital trade relationship that took more than a decade to build.

The Asia-Pacific region is our largest and fastest growing trading partner, and China will remain a critical part of our economic dealings with that area of the world. Tremendous untapped trade and investment opportunities now exist in China for U.S. firms. Our competitors are now entering and investing in China at a rapid pace. We must not be left behind.

Commerce is America's new front line, and exports remain key to economic growth at home. Already, exports to China have reached record levels -- topping \$5 billion so far this year. Thriving economic ties with China must remain an integral part of our strategy to promote economic growth and create jobs in the United States through free and fair trade. Today, trade policy is domestic policy. As an example, every \$1 billion in exports supports more than 19,000 good American jobs.

During the trip, the interagency delegation will visit Beijing, for meetings of the Joint Commission on Commerce and Trade; Shanghai, to underscore our support for economic reforms now taking place throughout much of southeast and southern China; and Hong Kong, a key to the economic future of China. Representatives from the Commerce Department, the State Department, the National Security Council and the Office of the U.S. Trade Representative will take part in the mission.

Clearly, while this trip is focused on commercial issues, we are mindful of human rights concerns. In encouraging China's economic reforms and integration into the world economic system, we do so in the belief that economic freedom will inevitably lead to political freedom. History has shown this is the best way to effect positive change, particularly in the world's most populous nation.

China, like much of the world, is in a period of transition. We call on China to join us in breaking down old barriers and shape a brighter future for the Chinese people. But, we also recognize our continuing responsibility to U.S. businesses at home and abroad. In this time of profound post-Cold War economic change, it is particularly important that we leave no stone unturned in seeking new markets, new jobs and new opportunities for American workers in agriculture, manufacturing and service industries.

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